

§ 108A-123. Assessment amount.

(a) Annual Calculation. – The Secretary must annually calculate the equity assessment amount and the UPL assessment amount for each hospital subject to the respective assessment. Each assessment must comply with applicable federal regulations and may be prorated for any partial year. The Secretary must notify each hospital that is assessed the amount of its UPL assessment and, if applicable, its equity assessment. The notice must include all of the following:

- (1) The applicable assessment rates.
- (2) The hospital costs on which the hospital's assessments are based.
- (3) The elements of the calculation of the hospital's UPL.

(b) Equity Assessment. – The equity assessment consists of both inpatient and outpatient components. The equity assessment percentage rate must be calculated to produce an aggregate annual amount equal to the following:

- (1) The amount needed to make the Medicaid equity payments under G.S. 108-124.
- (2) The applicable portion of the State's annual Medicaid payment, as provided in subsection (d) of this section.

(c) UPL Assessment. – The UPL assessment consists of both inpatient and outpatient components. The UPL assessment percentage rate must be calculated to produce an aggregate annual amount equal to the following:

- (1) The amount needed to make the UPL payments under G.S. 108A-124.
- (2) The applicable portion of the State's annual Medicaid payment, as provided in subsection (d) of this section.

(d) State's Annual Medicaid Payment. – The first forty-three million dollars (\$43,000,000) of the State's annual Medicaid payment must be allocated between the equity assessment and the UPL assessment based on the amount of gross payments received by hospitals under G.S. 108A-124. The remaining portion of the State's annual Medicaid payment must be allocated to the UPL assessment.

(e) Appeal. – A hospital may appeal an assessment determination through a reconsideration review. The pendency of an appeal does not relieve a hospital from its obligation to pay an assessment amount when due. (2011-11, s. 1; 2013-397, s. 10.)